

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- v. -

OCTAVIA MANIGAULT,
a/k/a "Suekey,"

Defendant.

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #: _____
DATE FILED OCT 11 2007

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07CRIM 951

COUNTS ONE THROUGH THREE

(Aiding and Assisting the Preparation
of False and Fraudulent Income Tax Returns)

The Grand Jury charges:

Background

1. At all times relevant to this Indictment:

a. OCTAVIA MANIGAULT, a/k/a "Suekey," the defendant, operated a tax return preparation business in New York, New York.

b. Most of the defendant's clients were recipients of public assistance who consequently were not required to file U.S. Individual Income Tax Returns, Forms 1040, because they did not receive income sufficient to trigger the threshold requirement for filing.

c. The Earned Income Credit ("EIC") was a federal program extending an income tax credit to lower-income workers based upon factors such as the amount of their earned income, the number of their dependent children, and their filing status as single, married, or head of household. As OCTAVIA MANIGAULT, a/k/a

"Suekey," the defendant, well knew, earned income includes wages, salaries, tips, and net earnings from one's own business. As the defendant likewise well knew, earned income does not include welfare benefits or workfare payments, including money from a state or local agency that administers public assistance programs, and recipients of welfare or workfare payments were not eligible to claim the EIC for these benefits because they did not constitute earned income.

d. Nonetheless, in order to generate numerous false and fraudulent income tax refunds, from in or about 2000 through in or about the 2004, OCTAVIA MANIGAULT, a/k/a "Suekey," the defendant, claimed refunds based on the EIC on income tax returns she prepared for her clients, whose chief or sole source of income was public assistance. At the time OCTAVIA MANIGAULT, a/k/a "Suekey," the defendant, prepared those returns, she well knew that those clients had not received income sufficient to require them to file income tax returns, did not qualify for the EIC, and were therefore ineligible to claim tax refunds based on the EIC claims.

Statutory Allegations

2. On or about the dates set forth below, in the Southern District of New York, OCTAVIA MANIGAULT, a/k/a "Suekey," the defendant, unlawfully, wilfully, and knowingly did aid and assist in, and procure, counsel, and advise the preparation and presentation under, and in connection with matters arising under, the internal revenue laws, of returns, claims, and other documents,

to wit, U.S. Individual Income Tax Returns, Forms 1040, and accompanying schedules, for the taxpayers identified below, which returns were false and fraudulent as to material matters in that the returns reported that the taxpayers were entitled under the internal revenue laws to claim the EIC in the amounts set forth below, whereas, as OCTAVIA MANIGAULT, a/k/a "Suekey," the defendant, then and there well knew and believed, the taxpayers had not earned the income reported and were not entitled to claim the EIC in the amounts set forth below:

COUNT	TAX YEAR	TAXPAYER	APPROXIMATE DATE OF FILING	EIC CLAIMED
1	2001	Taxpayer 1	4/15/02	\$2,428
2	2002	Taxpayer 2	4/15/03	\$4,140
3	2003	Taxpayer 3	4/15/04	\$4,204

(Title 26, United States Code, Section 7206(2).)



FOREPERSON



MICHAEL J. GARCIA
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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Defendant.

INDICTMENT

07 Cr.

Title 26, United States Code 7206(2)

MICHAEL J. GARCIA
United States Attorney.

A TRUE BILL


Foreperson.

11/11/07 FJD Ind. Part 11-1-07 A/n cleared
The case is assigned to Prob. Ct
for all purposes
